WEATHER FORECAST.

Fair to-day and to-morrow; moderate to

fresh north and northeast winds.

Highest temperature yesterday, 76; lowest, 63.

Detailed weather reports will be found on page 21.

THE NEW YORK HERALD

VOL. LXXXV.-NO. 279-DAILY.

NEW YORK, SUNDAY, JUNE 5, 1921.—ENTERED AS SECOND CLASS MATTER POST OFFICE, NEW YORK, N. Y.

and sounder newspaper than ever before. PRICE FIVE CENTS In Manhattan, Brooklyn and Bronx. Elsewhere 10 Cents. 92 PAGES.

The New York Herald, with all that was

best of The Sun intertwined with it, and

the whole revitalized, is a bigger and better

FLOOD SWEEPS PUEBLO AND VICINITY; 500 REPORTED DEAD; CITY IS ISOLATED, WIRES DOWN AND FLAMES ADD TO PANIC; BUSINESS SECTION WRECKED, DAMAGE IS CLOSE TO \$10,000,000

ITALY RECOVERING FROM SOCIAL AND INDUSTRIAL CRISIS

High Prices Have Passed the Peak, but Labor Bars Progress in Reduc-

ing Costs.

ECONOMIC FOES FOUGHT

Giolitti's Bill Giving Factory Control to Employees Disapoints All Political Parties.

COMPROMISE A FAILURE

As the Country Was Unable to Keep Order the Fascisti Undertook Task of Curbing Disturbers.

This is the first of a series of articles dealing with the social, economic and political conditions in Italy and the successful efforts that country is making to wipe out the effects of the war and regain her industrial strength. They are written by a trained observer who has spent months in Italy studying conditions for THE NEW YORK HERALD.

Special Correspondence to THE NEW YORK

Roms, May 15 .- Italy at the present time is suffering from measles and numps. The crisis through which she is passing is twofold, economic and ocial. Since the outbreak of war prices have been soaring, until now they appear to have reached their limit and the liquidation is about to commence. Wholesale prices already begin to show some sign of falling, profuction is reduced to a minimum, the number of the unemployed daily increases, hours are being shortened, ankruptcies are more frequent, the banks have closed all credits, and many establishments are in consequence shut down. This is the eco-

On the social side the workers, led by numerous Communists and anarchists, are filled with indiscipline and an absolute objection to work. In September, 1920, when as a result of lafaction that the Lieutenant had acted

Policy of Obstraction.

On the resumption of work the agitators started a different policy, the policy of paresse, with the result of policy of paresses, with the result of policy of paresses, with the result of policy of paresses, with the result of policy of paresses. on the resumption of the resum

must be fought if Italy is to start well tagain.

The economic crisis can be fought is various ways. Certain Government measures will have to be roscinded, as, for instance, the war profits tax, the new law in shares (hitherto in Italy elighares have been to bearer—the Government has now decreed that all shares must be nominative and a heavy tax is levied on this transfer). The Government will have to "put its own house in order" and cut down its expenses. The "squanderers" are as much at work to-day in Italy as they have been in other countries. The antiquated tariff, which is not able to cope to-day with the situaties, will have to be changed. These, however, are all points which other Governments have had to face, and Italy will be able to do also.

Capital and labor-the social oues-tion-is an entirely different one in Italy from abroad, and is made more difficult by the psychological characteristics of a southern race which has been much disturbed by the intrigues of foreigners

Continued on Seventh Page.

POLAND SPRING HOUSE. South Peland, Me. New Open. For information and rates | write hotel, or phone 4745 Mad. Sq.—Adv.

REICHSTAG UPHOLDS WIRTH **GOVERNMENT ON QUESTION** OF MEETING ALLIES' TERMS

DERLIN, June 4 .- The Reichstag to-day voted confidence in the D Government of Chancellor Wirth. The vote was 213 to 77, with 48 members not voting.

The vote of confidence was on the question of approval of the Wirth Government's recent declaration regarding fulfilment of the allied ultimatum. A second section of the same resolution, dealing with the Government's attitude toward the Upper Silesian question, also was passed by a large majority.

When the Reichstag opened at noon the Communists introduced a motion affirming that the Government's attitude was anti-labor and expressing the "deepest distrust of and opposition to the Government." This motion and one introduced by the Nationalists, voicing lack of confidence, were rejected by large majorities.

Herr Boehm, on behalf of the Bavarian People's party, declared benevolent neutrality toward the Government, after which the resolution of the Government parties, the Majority Socialists, Clericals and Democrats, expressing confidence in the Government, was carried.

The forty-eight members who abstained from voting on this resolution belong to the German People's party, Dr. Gustav Stresemann, their leader, declaring the party's unwillingness to participate.

FREES GERMAN WHO BIRDSHOT IN HEART. SANK HOSPITAL SHIP BOY QUITS HOSPITAL

Says Neumann Obeyed Or-

ders and Was Justified.

War Criminals Will Be Acquitted

LEIPSIC, June 4.—Entente officials who expected the German submarine its broader aspects by the High Court Paterson (N. J.) General Hospital yesin session here for the trial of persons charged with war crimes were bitterly disappointed when it dealt with the case of Lieut. Karl Neumann, charged with the sinking of the hospital ship Dover Castle by the Ger-

man submarine he commanded. Lieut. Neumann was acquitted today after a hearing of his case before the court, and through the manner in which the issue was handled by the judicial body the only point at Issue was whether he carried out his

the lockout at the Romeo works at clearly within the instructions given Turin a general strike was declared him by his superiors and he was speedily within the instructions given and the factories were occupied by the exonerated from criminality under this workers, they claimed that the factories should be their property and peror William, Admiral von Tirpits or other German officials who had a hand

Neumann's acquittal was received without the slightest demonstration. As the court rose the British commission bade farewell to the presiding officer of the court, who thanked them for their attitude during the trials.

Fifteen men carrying blankets started

LIQUOR PERMITS CHECKED.

WASHINGTON, June 4.—Steps were taken by Prohibition Commissioner Kramer to prevent illicit liquor dealers Kramer to prevent illicit liquor dealers buying supplies from authorized vondors by use of counterfeited special Treasury permits for the purchase of intoxicants in quantities of more than one barrel or fifteen cases of alcohol, whiskey, brandy, rum or gin.

To meet the situation Mr. Kramer issued instructions that when a vendor of liquore receives a permit authorizing the shipment of these boverages in such quantities he must receive confirmation

Judge in German High Court Five Leaden Pellets Embedded in Muscles Move With Every Beat of Organ.

Walks Out, a Discharged Patient.

a twelve-year-old boy who is out of charged patient, carrying five No. 7 shot in his heart and sixteen or eighteen in his lungs as well. While he was under the X-ray in the hospital the surgeons could plainly see the little leaden balls embedded in the pectoral

feet and Tommy pointed the gun at

with each beat.

Mies A. M. Huyler of 25 East Thirtieth street, was able to provide \$22 to meet expenses of the men along the route, but the organization hadn't any funds to provide carfare.

After this incident became known. Arthur Williams, chairman of the board of the Land Service, issued an appeal to the public, stating that there are many jobless men lottering about park benches who could help out the farmers. With proper support, the organization can place 2,000 men in positions on the farms, he said.

quantities he must receive confirmation from the probibition director before white Sulphur Springs. Delightful for sum-honoring it.

Graft in Awarding Privileges.

List Price of Snow Remover Colorado South of the Springs Put at \$5,000, While City Paid \$5,453.

Murray Hulbert, Dock Commisan inspection of the city's new docks Mountain News. inder construction on Staten Island. After circling above the stricken city Department, with especial attention to the scene of the catastrophe the leasing of certain docks to certain

corporations and individuals. has been presided over by Commis- ing clouds which obscured the earth HOPES OF ENTENTE FADE 16 STILL IN HIS LUNGS been turned over to the committee's from refugees who flocked about his investigators, dealing with the issuing plane after he landed at the State Fair of some of the many classes of licenses Attitude at Leipsic Indicates Despite All This, Lad of 12 which fell under Commissioner Gil-

> These include the \$500 licenses for Cence halls, the \$20 junk shop licenses, hardly recognizable on account of vast to cabs and operation. For the common run of mortals to to cabs and operators; the theatrical be shot in the heart means death. But licenses, \$500 each; the sightseeing car licenses, \$10 each: the "common show" the common run walked out of the licenses, \$25 each, and the "amuse-\$10 for a parlor and \$3 for each operator, and the motion picture theatre

The boy is Lawrence Setterfield of Bloomingdale. He and Tommy Yateman, 6 years old, a neighbor's boy, were playing with a shotgun on the afternoon of May 1. At one stage of the sport Lawrence stood off thirty feet and Tommy related the committee of numerous the sport Lawrence stood off thirty of money being paid to the wielders of being formed fairly well and that the odd and the missing, but that the police lines were being formed fairly well and that the dying. such influence. The records of the Dehim. Unexpectedly, it went off.

The Setterfield boy received a large part of the contents of the shell, loaded with birdshot, in his breast, Hemorrhage growing corps of investigators for exam-

all the counsel, assistants and in-tigators made the third floor of 18

DOCK LEASING, CITY MUD AND WRECKAGE LICENSES, SNOW JOB VIEWED FROM PLANE SET NEXT IN INQUIRY OVER STRICKEN CITY

Meyer Committee to Seek Airman Finds Pueblo Is Partly Submerged_Hears of Panic and Peril.

WILL SCAN TRUCKS COST BRIDGES WASHED AWAY

Described as Ghostly No Man's Land.

DENVER, June 4 .- An airplané view sioner, and John P. O'Brien, Corpora- of the Pueblo flood disaster was tion Counsel, had a long conference brought to Denver late to-day by Willyesterday afternoon with Mayor Hylan iam A. Kimsey, pilot, who flew to in the City Hall after the Mayor and Pueblo with staff correspondents of the Commissioner had returned from the Associated Press and the Rocky

While this conference was going on it to make an accurate appraisal of the became known that the joint legisla- havoc wrought by the flood, Kimsey tive committee, of which Senator and his passengers landed in the out-Schuyler M. Meyer is chairman, plans, skirts of Pueblo, being the first per comprehensive inquiry into the Dock sons from the outside world to reach

Following his return to Denver after a daring flight, much of which The Department of Licenses, which was accomplished through low hangsioner John F. Gilchrist since Mayor completely at times, Kimsey detailed Hylan took office, is also to be investi- the conditions at Pueblo as he saw gated, some interesting leads having from the air and he heard of them Grounds.

"From an altitude of about 1.000 feet, said Kimsey, "the business district of Pueblo looked like a sea of mud and

"The railroad station stood out as an

missing, but that the police lines were being formed fairly well and that the situation, which for hours was one of

Park row hum like a busy beehive. No a change of attitude on the part of the word was received from Acting Police Commissioner Leach in reply to the committee's request for the designation of Capt. Dan Costigan as a special aid Continued on Eighteenth Page.

There was nothing to that the mills would be closed after to-day as a recommittee's request for the designation suit of the refusal of the employees to renew contracts expiring to-day, calling for wage reductions approximating 30 per cent.

Board in the Country

You will find many charming places in New Jersey advertised to-day in the Want Ad pages of The Herald. Also other nearby places. See Section Six. Quiet, health bringing private sanitariums near New York are also advertised in the Country Board

THE NEW YORK HERALD

Colorado Springs Faces Flood From Reservoir

Special Despatch to THE NEW YORK HERALD.

COLORADO SPRINGS, June 4.

Following the breaking of the dam at the Cheyenne Reservoir, southwest of here, an eight foot

wall of water is reported rushing toward the city.

The Stratton Park residential section and a large tent colony section and a large tent colony in the southwest part of the city are directly in the path of the flood and it is feared the entire section may be destroyed.

Several houses already have been washed from their foundations in the vicinity of the huge

reservoir and the water is spread-

ing over a vast area.

The reservoir is one of the largest in the vicinity of this city. It is fed by mountain streams and is used to supply water for this city.

TRAPPED IN STORES BY RUSHING FLOOD

Pueblo Rescuers Have Exciting Experiences-Desolate Wander About City.

Ropes-Merchant Crawls Out Through Transom.

Puesto, June 4 .- In the grip of dis ster all Pueblo is stunned. All day efugees, dazed and seemingly not the asylum stands-below and to the northeast. Consequently the tor the mud covered streets. Mothers with babies in their arms, mothers wandered until gathered up and taken

many moaned and cried, while others and exhibition licenses, which vary as to fees according to certain conditions, and for miles around there was nothing but a vast expanse of mud, dotted here and there by houses perched at some odd angle.

In connection with the granting and the connection with the connection with the granting and the connection with the connection with the granting and the connection with the granting and the connection with the granting and the connection with the connecti the Arkansas River waters and volunteer workers to-day carried equipment

All morning motor cars moved up Main street, carrying bodies on the fenders, every body covered with mud.

Rescuers in Serious Danger.

workers, they claimed that the factories should be their property and
tories should be their property and
tories should be their property and
they would write them. After a very
short time they found that to run a
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time to reach the dor reach the short time to run time to the books of the counts.

With work propers

Merchant Has an Odd Escape. bad they been available.

Joseph Rosen, clothing merchant, nar-rowly escaped death. Like most of the

At 11 P. M. he returned to the Fed. waters began to recede. eral Bullding, after having filed a news-

Arkansas River Overflows, Filling Streets With Torrents, Wrecking Buildings, Destroying Houses, and Leaving Ruins as Food for Fires.

RAILWAYS DAMAGED; TRAINS UPSET; NO LIGHTS, CARS OR DRINKING WATER

Cloudburst Also Deluges Other Parts of Colorado-Warnings Disregarded as Waters Threaten Towns-Denver Rushes Relief to Stricken People.

Denver, June 4 .- Swellen by cloudbursts and its teeming tributaries, the Arkansas River flooded most of the city of Pueblo last night. When the waters receded fire came. It is not possible in the face of the multitude of sensational tales coming into this city to-night from the district to tell just how many residents of Pueblo died. Early estimates (frantic estimates made before the telephone and telegraph wires were put out of commission) had it that between 1,500 and 3,000 persons were dead. But later, when the tide went back, that number was reduced to

500. The property loss will amount to \$10,000,000. From the stories of persons arriving in Denver this afternoon and to-night there were two floods. There are few connected stories at this hour. Probably there was but the one cataract and then the after surge. But from several sources it was learned that first there was the main inundation and then a second. It was said that the main flood came, Y. W. C. A. GIRLS IN PERIL passed on until it hit a wall of houses sufficiently strong to hold the

terrent in check for a moment, and then the rebound-the back wash. This apparently added to the horror. It was dark. The lights of Jail Prisoners Saved With the lower part of the town were snuffed out in a jiffy. Whole houses and even blocks seemed to be swept along until the rebound. Then the houses, now reduced to debris, came roaring back. And above all the roar of the waters, according to the stories, there arose the cries of

frightened victims. The river burst its normal confines just above the State Insane Asylum to the west of the town. The town itself lies far below the cliff on which

knowing what to do, straggled about rent came falling upon the lowlands, flooding streets under six feet of foam Two trains turned over in the railroad yards at Pueblo and many persons were killed, according to information received late to-day by the Denver Post. No estimate of how many persons were killed was received but it was said the trains were both filled with passengers.

"The railroad station stood out as an island in a lake, but the tracks were completely submerged, and cars could be seen floating about. The waters of the Arkanass were backed up on the right bank for what appeared to be a veral blocks, and that action of the city between the depot and the approximate vicinity or the Valle Hotel was submerged.

With everything swept away but the clothes on their backs and the few things they carried in little bundles turned over at Pueblo was confirmed. A report received through railroad channels by the Rocky Mountain News said there were on the trains about 300 passengers, of whom ten were killed. That report, however, had not been confirmed, although the information said positively several persons were dead. At the Denver the clothes on their backs and the few office of the Denver and Rio Grande the report that train No. 3 had

C. S. Railsback, a special agent for the Atchison, Topeka and Santa Fe Railroad at Pueblo, made his way to Colorado Springs this afternoon. court house was thrown open and He came in by motor car, making a wide detour because the flood obliterserved as a canteen and hospital. St. ated roads and railroads, as it did woodlands and whole blocks of houses. Mary's Hospital, one of the principal His story is typical of those so far and even more informative.

Millions of Property Simply Has Disappeared.

"I came," he said. "to get into communication with Junta, over the Union Pacific wires, to order a special relief train. They need it out there in Pueblo. Hundreds of lives were lost. Millions of dollars' worth of property disappeared. It is horrible to think of the way the flood surged through the business district and how the fire followed-two swift blows that left you paralyzed. The flats, the lower lying residential districts, disappeared and with them hundreds of people. Probably it will never be

J. B. Roberts and Robert Wayland, yards were licked up and carried away like the houses."

Mr. Patleback desired away like the houses."

ment to prevent the recurrence of the disastrous scenes in the winter of 1915. Whinistry of Labor Invites Both Sides to Negotiations.

Ministry of Labor Invites Both Sides to Negotiations.

Sides to Negotiations.

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Sides to Negotiations.

Sides to Negotiations.

Sides to Negotiations.

London, June 4.—The Ministry of Labor to-day invited the representatives apent.

London, June 4.—The Ministry of Labor to-day invited the representatives of the cotton employers and operatives apent.

None of the members of the committee will be controlled to the controlled to the cotton employers and operatives apent.

None of the members of the committee will be residents fied in time.

Almost as suddenly as the flood descended the waters receded. By midafternoon 182 bodies had been recovered. The fire was permitted to rage. There was no way of fighting it. The fire fighting apparatus, or while of water they had nothing but the clothes on their backs and a small box of valuables.

Almost as suddenly as the flood descended the waters receded. By midafternoon 182 bodies had been recovered. The fire was no way of fighting it. The fire fighting apparatus, or was of the unfortunates. Fleeling before the clothes on their backs and a small box of valuables.

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Almost as suddenly as the flood descended the waters receded. By midafternoon 182 bodies had been recovered. The fire was no way of fighting it. The fire fighting apparatus of valuables appears and the flood had prevent the past of the cotton employers and operatives appea

The lighting system went with the rest of the city. There are State Joseph Rosen, ciothing merchant, nar-rowly excaped death. Like most of the merchants, he was in his shop at Main the inevitable looters. A number of airplance have been sent out, and merchants, he was in his shop at Main and Second streets attempting to save his stock. The flood waters from the Arkansas River rushed up Main street so quickly he could not escape. In a desperate effort Rosen broke through a transom over the show window. Men across the street shouted to rescuers on the second floor, who lowered a rope and hauled Rosen to safety.

Deputy United States Marshal H. B. McTyns of Denver was another who had an exciting experience.

And it wasn't until then that it was possible to understand what it er despatch to a Denver newspaper, he had meant. While the flood was swirling through the dark streets the stories coming to Denver over the Pueblo wires were merely incoherent

PAIN'S FIREWORKS

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Southern Ry. System, 612 Knick